

# **Multi-donor support to civil society and engaging with 'non-traditional' civil society**

**A light-touch review of DFID's portfolio**

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Disclaimer: The views presented in this paper are those of the authors and do not necessarily represent the views of DFID.

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## List of acronyms

C4C	Coalition for Change, Nigeria
C3	City Community Challenge Fund, Zambia
CBO	Community Based Organisation
EST	DFID Effective States Team
FCS	Foundation for Civil Society, Tanzania
G-RAP	Ghana Research and Advocacy Programme
GNTP	Grupo Nacional de Trabajo para la Pobreza, Bolivia.
IFI	International Finance Institution
MFP	Multi-stakeholder Forestry Programme, Indonesia
MJF	Manusher Jonno Foundation, Bangladesh
MNCS	Mecanismo Nacional de Control Social, Bolivia
PAR	Programa de Aprendizaje Regional
PEAK	Pathways to Environmental Action in Kenya programme
PEP	Politics and Empowerment Programme, Kenya
RAVI	Rights and Voice Initiative in Ghana
SWAP	Sector-wide approach
TIB	Transparency International, Bangladesh
WP3	DFID's third White Paper on Governance (2006)

## Executive summary

### The scope of the study

Drawing on DFID's third White Paper (2006) (WP3), the DFID Effective States Team (EST), in January 2007, commissioned ODI to conduct a 'light touch' review of: (i) multi-donor models for supporting civil society; and (ii) efforts to reach out to 'non-traditional' civil society. The study tests the assumption that multi-donor support mechanisms scale up and enhance the effectiveness of civil society engagement with the state for improved governance and poverty reduction (see Terms of Reference in Annex 4)

The study identifies and analyses:

- (a) Existing multi-donor programmes for support to civil society as well as on-going transitions to harmonised ways of working.
- (b) How particular multi-donor funds are positioned within the broader aid architecture in any one country.
- (c) Experience of engaging with different non-traditional civil society organisations, and related challenges, strengths and weaknesses.

The study took place in two phases. The first began with a review of documents covering 18 programmes (see Annex 3 for an overview). These were provided by 13 DFID country offices in Africa, Asia and Latin America. An inception report was produced and discussed with DFID EST. The second stage consisted of telephone interviews with 10 DFID Country Offices and programmes. In total, 25 programmes were examined (these are listed in Annex 1). All emphasise support to citizen voice and accountability. The review did not examine support to civil society for service delivery.

This document presents: (i) a summary of key findings; (ii) issues for further study; (iii) lessons on multi-donor instruments for civil society support; and (iv) lessons on working with 'non-traditional' civil society. More detailed case material is provided in Annex 2.

## Key findings

### Multi-donor support mechanisms/models

The multi-donor civil-society support models examined by this review in many cases build on existing bilateral efforts to broker relations between citizens and the state. DFID has often been well-placed to play this 'sparring partner' role given its investment record and diplomatic weight. But pressure to reduce transaction costs while increasing overall development spending means that DFID is less and less able to play this role.

As a result, most multi-donor civil-society support programmes are now managed by intermediaries. This includes INGOs, local CSOs, multilaterals, local foundations and community funds. Intermediaries may not, however, have the same capacity as donors to: (i) mediate where relations between civil society and the state may be especially conflictive; (ii) make the link between civic engagement and efforts to strengthen the capability and responsiveness of state institutions; and (iii) absorb the inherent risks where they do not have the diplomatic weight that donors enjoy.

Donors' choice of intermediaries for civil society support reflects a combination of policy objectives, credibility with the state, management capacity, and ability to provide capacity building support to smaller CSOs. In Nicaragua, the decision to appoint an INGO was made through broad consultation with civil society. However, in most cases, it is not clear to what extent intermediaries are selected on the basis of their accountability and legitimacy amongst local CSOs. As grantees in their own right, intermediaries are also judged by their capacity to channel grants to CSOs. As such, they are prone to take fewer risks in investing in new policy areas or non-traditional partners that may otherwise broaden the scope of civic engagement.

International NGOs (INGOs) tend to be favoured in less stable environments because of their already established programmes and relationships with the state. However they also risk 'crowding out' endogenous interlocutors that derive their legitimacy and accountability from local CSOs. In order to address this challenge, DFID has transitioned some INGO-managed programmes to local foundations while at the same time brokering multi-donor buy-in. Examples include the Manusher Jonno Foundation (MJF) in Bangladesh and the Foundation for Civil Society (FCS) in Tanzania. Both were initially managed by Care International.

This transition to local foundations needs to be carefully managed, especially in fragile state contexts where the legal framework is opaque and is often applied differently to donors, international NGOs and local civil society. Other important considerations are that: (i) a monopoly on civil society funding is not created that might otherwise destroy the diversity of issues that civil society works on; (ii) local foundations are able to build their own endowments for sustainability; and (iii) positioning local CSOs as intermediary fund managers does not reduce their relationship with constituencies to one of financial accountability.

In some cases, donors have committed core funding to CSOs with a track record in research and advocacy. This allows for long-term but light-touch support, and the flexibility for CSOs to set their own priorities. However, where such CSOs may already be well entrenched in political society, core funding may be prone to an elitist focus.

As DFID withdraws from directly facilitating civic engagement with the state it potentially transfers risk to local civil-society grantees. CSOs often find donors an important source of assurance in respect of advocacy on politically sensitive issues. Amongst others, CSO work around governance and transparency objectives may risk association with partisan politics in the eyes of the state.<sup>1</sup> In these situations, DFID and other donors struggle to choose between: (i) intervening as mediators to resolve tensions and; (ii) leaving civil society advocacy to run its own course. Some multi-donor programmes manage political risk and enhance trust by including government counterparts and other eminent persons on steering and funding committees. However, their inclusion needs to be carefully managed and monitored if it is not to risk cooption by government or undue influence over the direction that a programme may be taking.

Local ownership of multi-donor funds can be problematic. Although intermediary and core funding models seek to facilitate 'arms-length' engagement with civil society, donors may continue to 'pull the strings' over priorities and management. Multi-donor instruments may exacerbate this with each donor bringing to the table their own expectations in a programme. This can skew the accountability of a programme towards

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<sup>1</sup> A separate discussion on working with political parties is necessary, given increased interest in engaging with 'political society' (DFID, 2007, p. 64).

the donor agenda and away from the CSOs that are being supported. Tensions also remain between demand-drive grant making and donor interest in specific policy outcomes; and between CSO demand for capacity building and donor interest in advocacy.

Holding government to account is a process that emerges slowly and unevenly. Most of the programmes examined focus on citizen voice, including coalition building and access to information. There was less evidence of how citizens have been able to oblige the state to provide answers. In more unstable political contexts, accountability may be a goal too far and donors may need to manage their expectations of civil society. Donors require a long-term, strategic view of state building through civic engagement. This includes a focus on strengthening the enabling conditions and channels for voice and accountability where these are currently weak.

A sector focus may make it easier to align support for civil society with specific policy outcomes and to respond to CSOs evolving capacity-building needs. A sector that lies at the heart of the political economy, or that impinges directly on people’s livelihoods, may also provide a more effective entry point for accountability relationships to find their traction. Where, however, civil society support is embedded within sector-wide approaches, donors may need to play a direct role in facilitating and mediating dialogue between civil society and government counterparts.

Harmonisation with other donors on support to civil society allows DFID to influence the aid agenda while also securing long-term funding for civil-society. However the transition to multi-donor instruments can demand substantial short- to medium-term investment. While there may be agreement over objectives, it can take considerable effort to resolve differences over administration. In a number of cases, DFID has also had to work bilaterally with CSO partners to then secure the confidence and buy-in of other donors. This is essential where other donors lack the flexibility to invest in risky environments and ‘non-traditional’ civil society.

In a few cases, DFID has worked to structure a range of multi-donor basket funds for civil society support within the country. This is because a single harmonised instrument is unlikely to meet the needs of different types of CSOs, or to reflect and nurture the full complexity of CSO agendas. Forcing diverse agendas into a single model might even be destructive of the innovation and originality of CSOs. However, designing a portfolio of support mechanisms that provides for the diversity of CSO agendas will also require a more nuanced study of how CSOs engage around different themes.

A range of multi-donor funds for civil society support may be especially important in countries where DFID is withdrawing in favour of the IFIs, but where IFIs are also not as well equipped to work with CSOs. In Bolivia and Indonesia, DFID has structured a ‘cascade’ of CSO funds that will embed IFIs in its legacy of innovative partnerships and processes at national and local levels.

### **Engaging with ‘non-traditional civil society’**

DFID’s White Paper is clear about the importance of politics. It offers a very important and strategic premise for engaging with ‘non-traditional’ civil society groups beyond professional NGOs. The different multi-stakeholder mechanisms examined by this review already work with a wide range of groups.

Whilst some programmes focus on directly reaching the poorest, including landless movements, other programmes focus on the interlocutors through which citizens make their voices heard. These include parliamentarians, social movements, faith-based organisations, private-sector associations, the media and local government associations. Further evidence is, however, needed to ascertain whether empowering poor people is best achieved by targeting support directly at them or by working through other actors.

Efforts to reach out to the 'non traditional CSOs' are often underpinned by very different processes and motives. In some cases, programmes have been developed following Drivers of Change or Non-State Actor analyses. In others, it is the result of chance encounters and incremental learning. Some programmes have built highly effective, alliances of 'non-traditional' partners around specific policy processes.

Certain non-traditional CSOs, such as grassroots movements, may be very effective agents of citizen voice and accountability. However they are often weakly institutionalised, and may not be formally registered. The rigid funding arrangements and reporting requirements of some multi-donor instruments may impose formal management structures on non-traditional partners. Not only does this raise transaction costs for donors, but it can also undermine the dynamic of non-traditional CSOs where they draw on a voluntary and loosely associated memberships.

Different programmes have worked in different ways to enhance reach to 'non-traditional' civil society. Strategies include: (i) diverse, experimental funding across a wide range of CSOs to identify 'winners' and nurture coalitions; (ii) selecting intermediaries with a track record of working with certain 'non-traditional' groups; (iii) brokering range of different funding mechanisms and/or (iv) differentiated grant-making to reach CSOs with limited management capacity; and (v) working from the bottom up to target marginal groups from the outset.

## **Possible issues for further analysis**

The review identified a number of areas warranting further analysis, and in particular in **fragile states contexts**.

### **On intermediaries**

- (i) Intermediaries' relationships with CSOs, beyond provision of grants, including their ability to position themselves as trusted brokers. Should intermediaries be directly involved in advocacy themselves?
- (ii) The development of local foundations and community funds, as a step beyond donor or INGO management. This includes efforts to build local endowments.
- (iii) The role that INGOs might continue to play once fund management has transitioned to local intermediary organisations.
- (iv) Engaging with private foundations, with a track record of working with mass-based organisations and social movements.
- (v) The role of small grants mechanisms as an instrument for coalition building.

### **On intervention design**

- (i) Quantitative comparison of the transaction costs of brokering multi-donor instruments, as opposed to bilateral approaches.

- (ii) Can savings be made by working with smaller groups of like-minded donors?
- (iii) The models of change underpinning civil society support interventions, in particular how support for advocacy (voice) can deliver the answerability and enforcement dimensions of accountability.
- (iv) Measuring impact on accountability, in a way that enables proper assessment of what works in different contexts.
- (v) The merits of sector-based approaches to civil society support.
- (vi) More flexible funding arrangements enabling donors to respond more rapidly to events in the policy process (emergencies, national elections, etc.).

**On non-traditional civil society partners (accountability mechanisms)**

- (i) The role of civic engagement in reforming formal accountability mechanisms (e.g. parliaments, anti-corruption agencies, ombudsman); where most donor assistance currently consists of technical capacity building.
- (ii) Civic engagement through informal channels and alliances, including political factions. This has implications for the degree of political risk that donors are willing to absorb.

## Background to the review

In January 2007, DFID commissioned ODI to conduct a two-stage review aimed at improving lesson-learning on (see TORs Annex 4):

- a) Multi-donor programmes working with civil society (CS), with a focus on strengthening governance and accountability.
- b) Donor engagement with 'non-traditional' CSOs, such as political factions, trade unions and faith groups (looking beyond capital-based NGOs that have historically have been donors' principal civil society partners).

The review responds to a lack of systematic analysis around different approaches to supporting civil society, including which models work best in different contexts and the extent to which civic engagement can be 'scaled up'.

The first stage was to carry out a 'light-touch' review of the literature including:

- a) Existing multi-donor programmes for support to civil society as well as on-going transitions to harmonised ways of working.
- b) How particular multi-donor funds are positioned within the broader aid architecture in any one country (programmatic aid, sector baskets, bilateral programmes, local trust funds for support to civil society etc.).
- c) Modalities for engaging with different non-traditional civil society organisations, and related challenges, strengths and weaknesses.<sup>2</sup>

A total of 25 programmes were identified and examined (see Annex 1 for a list). All emphasise support to citizen voice and accountability. Documentation was provided by 10 DFID Country Offices<sup>3</sup> with the facilitation of the DFID Effective States Team (EST). The literature and document search formed the basis for an inception report which was submitted to DFID in early March 2007. An overview of programmes identified by the inception report is presented in Annex 3.

The literature and document search also informed the second stage of the review. This consisted of telephone interviews with Country Offices and programmes in 10 countries.<sup>4</sup> Selected cases reflected a continuum of country contexts - from 'good performers' to fragile states. The interviews worked to validate and bring greater depth to lessons identified in the literature review.

The review is linked to existing DFID studies on citizens and accountability,<sup>5</sup> as well as two other joint donor initiatives: (i) a review of support to Voice and Accountability for OECD-DAC; and (ii) a review by the Nordic+ group of donors and DFID on trends in, and the effectiveness of, donor support to civil society.

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<sup>2</sup> Engaging with 'non-traditional civil society' was reflected in the terms of reference as a research issue/question on its own and not limited to multi-donor funded programmes.

<sup>3</sup> Bolivia, Nicaragua, Ghana, Ethiopia, Kenya, Tanzania, Zambia, Bangladesh, Uganda and Indonesia.

<sup>4</sup> Bolivia, Nicaragua, Ghana, Nigeria, DRC, Kenya, Tanzania, Zambia, Bangladesh and Indonesia.

<sup>5</sup> These are: the rapid review of DFID Support on domestic accountability through public expenditure conducted by Joanne Bosworth, the 'Helpdesk Research' on Civil Society Support Programmes by Joanne Abbot, and a study by Phillippa Thomas on 'From information to Accountability: strengthening citizen voice and accountability for better service delivery'.

This report collates and analyses the evidence gathered. It is organised into two parts on: (i) the shift to multi-donor instruments for civil society support; and (ii) working with 'non-traditional' civil society. The report also identifies a set of 'second generation' issues for subsequent study.

**Part 1:**  
**Transitions to multi-donor instruments**

## 1. Multi-donor ways of working with civil society – what are the drivers?

Overall, donors are not as well coordinated in supporting civil society as they are in supporting developing country governments (UK Gov. House of Commons Committee of Public Accounts, 2007). Commitments to harmonisation under the Paris Declaration on Aid Effectiveness are silent on the issue. Until recently, most such support has been delivered bilaterally. The ongoing OECD-DAC study suggests that only a minority of programmes aimed at enhancing citizen voice and accountability are multi-donor. Of these, many target government bodies directly engaged in projects, rather than civil society directly.

There is now a concerted effort by DFID Country Offices to transition bilateral support for civil society to multi-donor basket funds for the longer term. This reflects:

- a) Recognition of the pivotal role of civil society in the development of states that are capable, accountable and responsive to poor peoples' needs (as highlighted in DFID's 2006 White Paper *'Making Governance Work for the Poor'* and 2007 policy paper on *'Governance, Development and Democratic Politics'*).
- b) A doubling of DFID's programme budget by 2013, while running costs are expected to remain flat or fall (DFID Capability Review). This places DFID Country Offices under pressure to reduce transaction costs. Strategies to date include pooled funds with other donors, outsourcing fund management and channelling a greater proportion of DFID's budget through the multilaterals such as the World Bank.

The potential advantages for DFID include the ability to:

- a) **Influence the aid agenda**, e.g. through the facilitation of joint programmatic frameworks and demonstrating how harmonisation on both the government and CSO agendas can be done.
- b) **Work through donors with a stronger presence and track record** in particular contexts.
- c) **Reduce its transaction costs in medium-long term**, as other donors buy in and as the management of multi-donor instruments are outsourced to intermediaries.

## 2. How is DFID making the transition to multi-donor instruments for civil society support?

Until recently, DFID played a crucial role in directly facilitating civic engagement with the state. Examples include the Pathways to Environmental Action Programme in Kenya (PEAK), the DFID country programme in Bolivia and the Multi-stakeholder Forestry Programme (MFP) in Indonesia. DFID carried both the investment record and the diplomatic weight to broker relations between citizens and government, in otherwise conflictive political settings. This created a platform for CSOs to subsequently take a lead in capacity building and advocacy.

DFID also committed funds to credible INGOs working in advocacy, to enhance their reach and impact. This includes Programme Partnership Agreements (PPAs) with Action Aid, Oxfam and Save the Children in Kenya.

With the Paris Declaration on Aid Effectiveness and pressure to reduce transaction costs while increasing development spending, DFID is now withdrawing from its role as a direct facilitator of civic engagement. Instead, it is focusing its energies on:

- a) **Brokering multi-donor buy-in to civil-society programmes.**
- b) **Outsourcing management and facilitation to intermediaries.**

Multi-donor instruments for civil society support span:

- a) **Umbrella funds to support a diversity of actors** e.g. the Common Fund for Supporting Civil Society on Democratic Governance in Nicaragua.
- b) **Sector programmes**, e.g. the Multi-stakeholder Forestry Programme (MFP) in Indonesia.
- c) **Multi-donor trust funds** for reconstruction in post-conflict/post-disaster contexts.
- d) **Basket funds for specific sets of actors**, e.g. the Tanzania Media Fund.
- e) **Core-funding to individual CSOs** with a strong track record, to build up their core strengths in advocacy. Examples include the Ghana Research and Advocacy Programme (G-RAP).

**DFID facilitates the transition to multi-donor ways of working through:**

- a) The development of **frameworks for joint programmatic assistance** and related basket funds, e.g. the Political Empowerment (PEP) and Pathways to Environmental Action in Kenya (PEAK) programme.
- b) **Building up the capacity of a specific actor, network or local foundation** to engage with a range of donors, e.g. the Grupo Nacional de Trabajo para la Pobreza (GNTP) in Bolivia. These include 'non-traditional' partners that other donors may be reluctant to support, and where evidence of impact must first be demonstrated.
- c) **Buying into programmes headed by other donors**, e.g. the UNDP-led Multi-donor Fund for Political Parties and Political Systems Reform in Nicaragua.

**Most of these multi-donor instruments are now managed by intermediaries**, though donors may continue to have an influence through their presence on Advisory Boards and Funders' Committees. Intermediaries on the whole include:

- a) **Local NGOs and networks**, e.g. Core-funded NGOs under G-RAP in Ghana, and the Programa de Aprendizaje Regional (PAR), in Latin America.
- b) **Multilateral agencies** such as UNDP.
- c) **International NGOs (INGOs)** such as CARE and the Asia Foundation.
- d) **Private management companies**, often as part of management consortia with INGOs.
- e) **National foundations**, often as the step beyond INGO-managed programmes of support, e.g. the Manusher Jonno Foundation (MJF) in Bangladesh and the Foundation for Civil Society (FCS) in Tanzania.
- f) **Community funds/small grants mechanisms** to reach local alliances and community-based organisations (CBOs), e.g. in Indonesia.

There is **increasing interest in transitioning programmes managed by international actors to local foundations**, to enhance legitimacy, ownership, flexibility and sustainability. In some cases, DFID is helping these to access **local philanthropic giving** to complement donor funding and to enhance local ownership. The role played by intermediary fund managers varies from pure administration (e.g. Deloitte and Touche (D&T) in the case of the Rapid Fund Envelope in Tanzania), to delivery of capacity building in advocacy (e.g. RAVI Ghana), and more direct brokering and facilitation of coalitions and relationships (e.g. the Community Foundations in Indonesia).

Where DFID has retained bilateral engagement and/or direct management of programmes, the intention is to eventually hand these on to multi-donor mechanisms managed by intermediaries. Examples are Coalitions for Change (C4C) in Nigeria and PEP in Kenya.

**Table 1** below summarises the current range of civil society support modalities within DFID’s portfolio, focusing on citizen voice and accountability. These consist of both multi-donor instruments as well as bilateral programmes undergoing the transition to multi-donor buy-in. Support is delivered in three different ways:

- *‘Direct Facilitation’* - a ‘high-visibility’ approach where donors directly and actively broker trust, dialogue and partnerships for policy innovation between the state and civil society organisations. This includes political support, funding, technical assistance, etc.
- *‘CSO intermediary’* - where support is channelled via CSOs or private bodies and networks at a level beyond donors’ capacity to intervene directly.
- *‘Core Funding’* - where donors fund a CSO programme based on record of achievement and strategic objectives.

Both intermediary and core funding support models allow an arms-length, ‘low-visibility’ approach to working with CSOs.

<b>Table 1: Modalities for support to civil society (multi-donor and bilateral in transition to multi-donor buy-in), with a focus on voice and accountability</b>				
<b>Support Modality</b>	<b>Objective</b>	<b>Mechanism</b>	<b>Function</b>	<b>Programme/ Intervention Name</b>
<b>Direct facilitation</b>	Brokering dialogue and partnerships between citizens and the state.	Country programmes.	Facilitation of CSO involvement through grants.	<b>Bilateral:</b> Multi-stakeholder Forestry Programme (MFP) .
		Sector programmes. <sup>6</sup>	Intensive donor facilitation around specific sectors.	<b>Multi-donor:</b> Pathways to Environmental Action (PEAK) and Political Empowerment Programme (PEP), Kenya; SAMATA.
<b>Civil society/ company intermediary</b>	Grassroots mobilisation, local-level accountability	Small-granting by national-level funds	Experimental funding to emerging CSOs.	<b>Multi-donor:</b> Manusher Jonno Foundation (MJF), Bangladesh; Foundation for Civil Society (FCS), Tanzania; Common Fund for Civil Society, Nicaragua.
		Stand-alone funds for local CSOs and networks.	Experimental funding; facilitation of local-level policy engagement.	<b>Bilateral:</b> Islamic movements, Indonesia (Asia Foundation).
				<b>Multi-donor:</b> Grupo Nacional de Trabajo para la Participación (GNTP), Bolivia.
		On-granting through local CSOs and foundations.	Experimental funding; facilitation of local-level policy engagement.	<b>Bilateral:</b> Rights and Voice Initiative (RAVI), Ghana.
	<b>Multi-donor:</b> Community Foundations, Indonesia.			
	National-level advocacy; scaling up voice and accountability	Grants to national-level CSOs.	Innovative funding for different national political actions.	<b>Bilateral:</b> RAVI, Civil Society for Poverty Reduction, Zambia.
<b>Multi-donor:</b> Ghana Research and Advocacy Programme (G-RAP); Tanzania Media Fund; Rapid Fund Envelope (RFE), Tanzania; Common Fund for Civil Society, Nicaragua.				
<b>Core funding</b>	Strengthening organisational capacity. Building autonomy from government and donors.	Multi-annual core funding parallel to GBS.	Enhancing existing CSO niches and expertise for scaling up impact.	<b>Bilateral:</b> Political Empowerment Programme (PEP), Kenya; INGO core-funding, Kenya; Transparency International Kenya.
				<b>Multi-donor:</b> G-RAP, Transparency International, Bangladesh.

<sup>6</sup> Includes civil society support within SWAPs, but these were not examined by this review.

### 3. How does context affect the choice of multi-donor instrument for civil- society support?

Mechanisms for multi-donor support to civil society reflect the broader aid architecture, including the relative emphasis given to general and sector budget support, IFI loan portfolios and decentralised aid delivery (see Table 2).

How support to civil society is delivered within these also reflects **Drivers of Change and Non-State Actor Analyses**. This may inform a focus on:

- **Channels for civic engagement**, e.g. work to rebuild the credibility of the media in Bolivia by Fundación UNIR.
- **Issue-based coalition building**, e.g. under the Rights and Voice Initiative (RAVI) in Ghana (currently in transition to a multi-donor instrument).

This review did not, however, provide sufficient opportunity to assess which models work best in which environments.

Context	Instrument
Better performers	<ul style="list-style-type: none"> <li>• Demand-led civil society umbrella programmes, and support to public expenditure monitoring around General Budget Support, e.g. in Tanzania and Ghana.</li> </ul>
Medium-risk countries	<ul style="list-style-type: none"> <li>• Civil society programmes around Sector Budget Support and/or earmarked sector support within joint funding arrangements, e.g. in Kenya.</li> </ul>
Fragile states contexts	<ul style="list-style-type: none"> <li>• Multi-donor Trust Funds, though little provision for support to citizen voice and accountability other than initial Post-Conflict Needs Assessments.</li> </ul>
Middle-Income Countries	<ul style="list-style-type: none"> <li>• Umbrella and sector-based support to civic engagement, to inform strategic dialogue with government and IFI loan portfolios, e.g. in Indonesia and Bolivia.</li> </ul>
Decentralising states	<ul style="list-style-type: none"> <li>• Civil society support around block grants local government, e.g. in Zambia.</li> </ul>

## 4. What are the strengths and weaknesses of working with different intermediaries?

Donors' choice of intermediaries reflects the operating environment, including **the presence of effective interlocutors with the capacity to manage and disburse funds strategically**. It also reflects credibility with the state, management capacity, and ability to provide capacity building support to smaller CSOs.

### (a) INGO intermediaries

In less stable environments, where civil society may be patchy, polarized and politically captured by different powers/interests (private, public and even donors), effective interlocutors are often lacking. In these contexts, DFID has resorted to **INGO intermediaries as an interim measure**. This includes the OXFAM-led consortium selected to manage the Common Fund for Civil Society in Nicaragua, at a time of growing conflict between civil society and the state.

In fragile states, e.g. DRC, **INGOs often have a strong track record and combine management skills with the knowledge and networks needed to engage with target groups**. INGO intermediaries may also permit more systematic attention to capacity building.

In the case of the Common Fund in Nicaragua, the decision to resort to an INGO was taken through broad consultation with civil society. However, in the other cases examined, **it is less clear to what extent INGOs were selected on the basis of credibility within civil society itself**.

INGOs also risk **'crowding out' the development of endogenous interlocutors** that derive their legitimacy and accountability from local CSOs. Amongst others, tensions may emerge between a requirement to build local capacity and the programmes that INGOs implement themselves. As the CARE-managed HUGO (later MJF) consortium in Bangladesh evolved (see also Annex 2.7), it began to take on an identity of its own, leading some to question whether it was simply a funding agency or a lead organisation in the field of human rights and governance.

### (b) Local foundations and small grants mechanisms

DFID has therefore found it effective to **transition management to local foundations**, once INGOs have built sufficient capacity and legitimacy in a given fund. Examples include the ENCISS programme in Sierra Leone, MJF in Bangladesh (see Annex 2.7) and the Foundation for Civil Society (FCS) in Tanzania.

DFID has also found it effective to **transition support to community funds/ small grants mechanisms** to meet the demands of grassroots movements and coalitions, who require flexible support at the right time and in the right place. Examples include the Community Foundations in Indonesia. These were established to sustain momentum gained by the DFID Multi-stakeholder Forestry Programme (MFP) (see Annex 2.2).

Transitions to local intermediaries do, however, require careful management for the following reasons:

- a) In many fragile states, the rules governing trusts are opaque or not fit for purpose, and require considerable time to negotiate. In Bangladesh, for example, laws governing NGOs have not been reformed for several decades, and so do not provide for intermediary fund managers such as MJF.
- b) Local funds need to be sufficiently institutionalised so as not to overly-depend on charismatic individuals for their credibility. But care should also be taken so as not to over-institutionalise local organisations where they draw on loose networks for their credibility.
- c) Where local funds evolve out of INGO-managed programmes, they may also create a monopoly on funding unless donors introduce a diversity of instruments for different sectors or actors. In Tanzania, concerns that the FCS could become the main or only channel for civil society (at a point when many CSOs also felt that a shift to PRBS had reduced available funding), led donors to also invest in parallel instruments for civil society, media development and parliamentarians.
- d) Local foundations and community funds will need to build local endowments as a means of strengthening legitimacy and authority as local entities and not merely as tools of the donors (CARE). In Indonesia, DFID is working with regional and international philanthropic networks to support the development of Community Foundations.<sup>7</sup>
- e) Positioning local CSOs as intermediary fund managers can reduce their relationship with constituencies to one of financial accountability, and raises questions around how CSOs can 'legitimately self-select'.<sup>8</sup> There are also questions around whether they should do advocacy themselves or just play a supportive role for the CSOs that they support.

### **(c) Core funding**

Donors have experimented with core funding where the objective is to strengthen CSOs with a track record in research and advocacy. Examples include G-RAP in Ghana and support to the national chapters of Transparency International in Kenya and Bangladesh. **Core funding allows for long-term relationships and gives CSOs the flexibility to set their own agendas.** However, it may be **prone to an elitist focus on CSOs that are already well entrenched in political society.**

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<sup>7</sup> The Indonesian Community Funds also form part of a regional and global network of small-grants providers (the Samdhana Institute and the Global Greengrants Alliance). These provide a conduit to both the major foundations, as well as professional mentoring in fund raising and management.

<sup>8</sup> However the RAVI programme demonstrated that embracing a greater diversity of CSOs that are not used to working together makes self-selection difficult. Evaluation reports showed that these CSOs tended to compete for access to donor funding.

## 5. Do multi-donor mechanisms result in reduced protection for CSOs working in hostile environments? How can such risks be mitigated?

Working around governance and transparency objectives risks association with partisan politics. The line between politics as citizen action and politics as political partying is not always clear. **DFID has previously managed risk by using its diplomatic weight to directly broker and mediate spaces and partnerships for civic engagement with the state.** Examples include MFP in Indonesia and Promoting Negotiation, Deliberation and Dialogue to Improve State-Society Relations (NEDD) in Bolivia. In both cases, DFID played a facilitating role in developing and instituting mechanisms for inclusive and sustainable dialogue. Though highly controversial, this succeeded in creating both the space and the support of government to allow other more risk-averse bilaterals to buy in.

**As DFID shifts to multi-donor instruments managed by intermediaries, the review did not find that others are taking on this 'sparring partner' role. Not all donors are willing to absorb as much risk. Intermediaries may not have the authority to play this role either.** For example, serious tensions between CSOs and government led the HUGO consortium (later MJF) in Bangladesh to avoid funding controversial issues. This shifts a greater degree of risk onto local civil society grantees. This is especially concerning in fragile-state contexts, where there is little respect for human rights, a culture of impunity and corrupt judicial processes. At the same time, donors are uncertain over when to leave civil society advocacy to take its own course, and when to intervene as mediators.

**However, more donors coming on board can actually add political weight, rather than detract from it.** One example is the ENCISS programme in Sierra Leone. In this case, the government has supported multi-donor buy-in to the programme, strengthening the donor compact with civil society.

Multi-donor instruments can also work to mitigate political risk by:

- (i) **Including government counterparts and other eminent persons such as members of parliaments on steering and funding committees.** Examples include the Pathways for Environmental Action in Kenya (PEAK) programme, as well as the Ghana Research and Advocacy Programme (G-RAP). **This, however, needs to be carefully balanced to avoid 'capture' by government.**
- (ii) Working to **create spaces for state/civil society dialogue.** An example is the National Civil Society Forum, established by the Common Fund for Civil Society in Nicaragua.

## 6. In what ways have multi-donor mechanisms improved (or reduced) local ownership?

The shift to intermediary and core-funded modalities in theory allows donors to work at arms-length leaving more space for civil society to set its own priorities. In practice, however, donors continue to 'pull the strings' over alignment with 'supply-side' initiatives, or internal governance. Multi-donor buy-in can exacerbate these tensions by bringing to the table a greater diversity of expectations or sectoral preferences

It is possible to manage 'donor presence'. This includes a gradual withdrawal from funding and steering committees as the institutional capacity of intermediaries and core-funded grantees improves. Examples include FSC in Tanzania and MJF in Bangladesh.

However, tensions remain between donor commitments to governance and rights, and the demand-driven mandate of some civil society support funds. In Nicaragua and elsewhere, donors face difficult choices over the extent to which they should actively align demand-driven support with 'supply-side' reform of national-level institutions, without also distorting the existing civil society dynamic.

Tensions also remain over the extent to which donors are willing to support organisational development. This is frequently the stated priority of CSO partners. But donors wishing to support advocacy are also reluctant to invest in capacity building for its own sake. The Capacity Building for Decentralised Development (CBDD) programme in Nigeria provided training to a large number of CBOs and NGOs to enhance their vision, accountability, financial management, and leadership. However, the lack of a clear policy objective meant that CBDD was not able to translate organisational development into policy action. CBDD has since been superseded by the programme Coalitions for Change (C4C), with an explicit focus on advocacy. Attempts by G-RAP to cap expenditure on organisational development have subsequently been criticised as meddling with the day-to-day decision-making of CSO partners.

## 7. Are multi-donor partnerships a means to 'scale up' accountability?

Multi-donor approaches are a means to secure substantial, long-term financing for civic engagement. They may also exert greater diplomatic leverage where donors are prepared to take risks in brokering the interface between citizens and the state. However, **it is not clear if multi-donor instruments are any more effective at delivering accountability than bilateral approaches.**

**Of the programmes examined, most have worked to enhance citizen 'voice'** including coalition-building, dialogue and access to information, and related skills in evidence-based advocacy. Examples include: participatory planning and budgeting (e.g. with city councils in Zambia); lobbying for legislative and regulatory reform (e.g. through public interest lawyers in Ghana and private sector associations in Nigeria); and advocacy for rights recognition (e.g. around access to land in Bangladesh).

**There is less evidence of 'accountability'.** This includes the capacity of civil society to oblige the state to provide answers, e.g. in respect of administrative misconduct, and subsequently apply sanctions if found to be lacking. **Further work is needed to verify this, given the very limited scope of this review.**

It is possible, however, that **accountability is a goal too far** and that donors need to manage their expectations of civil society – especially in fragile-state contexts where civil society is patchy and divided, and where the courts and other forms of public oversight may be highly politicised. In Bolivia and Nicaragua, for example, the focus remains on the **enabling conditions** for civic engagement, including work to strengthen or rebuild:

- a) **The 'rules of the game'** including spaces for participation, the right to information and mechanisms for conflict resolution.
- b) **The capacity and credibility of the channels through which citizens seek to act,** including the press and political parties.

This demands **a long-term, strategic view of state building through civic engagement,** especially as DFID and other donors become increasingly focused on fragile states. It also demands **the capacity to track incremental changes in voice, participation and power dynamics,** as stepping stones towards capable, responsive and accountable states.

## 8. Is civil society better supported through sector-based programmes?

Support to civil society can be delivered through a range of sector programmes, as opposed to a single, stand-alone instrument. The review examined only one example in any detail (MFP Indonesia). Other examples include the environment sector in Kenya (PEAK). Support to civil society may also be embedded within wider sector programmes (e.g. education) but this was not examined by the review.

Discussions with country offices and programmes suggest that a sector approach could make it easier to:

- a) align demand-driven grant making with specific policy outcomes; and
- b) deliver capacity building in a way that better responds to the evolving advocacy needs of CSO partners.

Sectors at the heart of the political economy, or that impinge directly on peoples' livelihoods, may also provide more effective entry points for accountability relationships to find their traction. A decision to focus on a high-value sector such as forestry allowed MFP to forge politically influential coalitions of actors, and to bridge local-level advocacy with national-level reforms (see Annex 2.5).

Working through sectors is, however, likely to incur greater transaction costs than a single, stand-alone fund for civil society support. This includes more active facilitation and mediation by donors between relevant sector ministries and civil society, where there is limited trust and/or a risk that government might otherwise 'capture' or reduce space for participation.

## 9. To what extent has the shift to multi-donor instruments reduced DFID's transaction costs?

The shift to multi-donor instruments can reduce transaction costs where **DFID has been able to buy into basket funds headed by other like-minded donors**. Examples include the 'Deepening Democracy' programme with parliamentarians in Tanzania (led by UNDP), and the Joint Donor Fund Against Corruption in Nicaragua (led by NORAD).

**In most cases, however, the shift to multi-donor instruments demands substantial short- to medium-term investment** as DFID works to broker multi-donor buy-in around individual basket funds. In the case of the Common Fund in Nicaragua, there was broad donor agreement over objectives and results. However, it still took 18 months to resolve differences over reporting and other administrative requirements. Similar experiences were reported in Bolivia and Ghana.

The shift to multi-donor instruments may also require DFID to **pilot civil-society support funds on a bilateral basis, and to demonstrate success before other donors are able to buy in**. Examples include the FCS in Tanzania, MJF in Bangladesh, RAVI in Ghana, GNTP, MNCS and Fundación UNIR in Bolivia and MFP in Indonesia. These cases show that **upfront bilateral investment by DFID is important where:**

- a) **there is an interest in channelling experimental funding at non-traditional civil society partners** without a track record of donor support and with minimum institutional capacity; and/or
- b) **a divisive political environment demands active mediation** between different elements of the civil society, and between civil society and the state.

**DFID has an important comparative advantage in making these upfront investments.** Not all donors have a country-led approach, with the same flexibility to make risky, but potentially very rewarding, investments.

## 10. How might DFID better sustain its legacy in moving to multi-donor instruments for civil-society support?

A key strength of DFID's bilateral work has been its ability to fund a diversity of partners. In some cases, DFID has worked to sustain this legacy by structuring a **'cascade' of multi-donor mechanisms targeting different elements of civil society.**

This is because **a single, multi-donor fund may not be able to meet the needs of all types of CSOs.** This includes grassroots organisations, social movements and networks with less management capacity, and whose working practices demand small amounts of flexible funding at minimum transaction costs. **A single multi-donor fund may not also be able reflect and nurture the full diversity of CSO agendas, even around specific themes such as human rights.** Forcing diverse agendas into a single model could work to undermine CSO originality and innovation.

**Attempts to broker a range of instruments for civil-society support are especially important where DFID has chosen to work through the IFIs, e.g. in countries from which DFID may be withdrawing.** In these circumstances, **DFID will normally commit Trust Funds to IFI counterparts.** However, **DFID may have little influence over how these are deployed.** IFI mandates also prevent them from the types of political engagement that bilaterals such as DFID are more capable of funding.

So in Bolivia and Indonesia, **DFID also worked around the IFIs to broker a range of multi-donor basket funds for CSO support.** This has worked to **embed the IFIs in DFID's legacy of innovative partnerships and processes.** In the Indonesian case, it also allowed DFID to sustain support to **a cadre of national and local facilitators** for advocacy and community fund management, built up through previous bilateral investments (see Annexes 2.1 and 2.2).

## **Part 2:**

### **Working with 'non-traditional' civil society**

## 11. What are the drivers behind an interest in engaging with 'non-traditional' civil society?

DFID's third White Paper on Governance (WP3) is clear about the importance of politics, as the often informal processes by which states, leaders and citizens relate to each other to make change happen.<sup>9</sup> The recognition of the fundamental role of politics implies a need to engage with 'non-traditional' civil society groups beyond the NGOs that have historically engaged with donors.

'Non-traditional' civil society includes groups such as **grassroots organisations, faith-based organisations, diasporas, the media and private-sector associations**. These are often **more representative of the poor and/or enjoy greater political access** than the NGOs that DFID have historically supported. The Ghana Drivers of Change study highlights their importance in securing genuine, domestically-rooted support for a given policy direction.

## 12. What kinds of 'non-traditional' partners does DFID work with?

The programmes examined by this review already work with a wide range of **non-traditional groups**. Some programmes place greater emphasis on working with **the very poorest in society**, e.g. landless groups and garment workers under the Samata (see Annex 2.6) and Uttaran<sup>10</sup> initiatives in Bangladesh. Further evidence is, however, needed to ascertain whether empowering the poor is best achieved by targeting support directly at them or by working through other actors. MJF suggests both are important, including support to advocacy by national-level CSOs around the right to information.

Others programme work with **formal and informal channels for citizen voice and accountability**, including parliamentarians, social movements, faith-based organisations, private-sector associations, the media and local government associations. In Bolivia, for example, DFID worked with peasant syndicates and producer associations to institutionalise social auditing under the Mecanismo de Control Social (MNCS). Working with formal and informal channels in some cases reflects Drivers of Change or Non-State Actor Analyses, e.g. Coalitions for Change (C4C) in Nigeria. In others, it is the result of chance encounters and incremental learning, where DFID has funded experimentally, e.g. MFP in Indonesia.

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<sup>9</sup> A focus on the 'interaction of interest groups' is a potentially radical departure from traditional governance reform, and includes an interest in working with, rather than against, the grain of 'neo-patrimonial' political systems. In some cases, these have been able to deliver spectacular gains in poverty reduction.

<sup>10</sup> A community-development organisation, with a focus on gender-, class- and cast-based discrimination, the landless poor and minorities.

### 13. What best practice exists in working with 'non-traditional' civil society?

DFID's experience of working with 'non-traditional' CSOs has not been systematically documented. **There is a need for more comparative analysis, including how effective they are as agents of citizen voice and accountability.**

The review did, however, identify **possible areas of best practice** in working with non-traditional civil society:

- a) **The media is a key driver in most of the cases examined.** DFID support to community radio initiatives in Uganda and Indonesia has worked to hold local government to account. Increasing efforts are being made to harmonise donor support for the media, such as the Tanzania Media Fund (TMF). The media can, however, be implicated in conflict. In Bolivia, Fundación UNIR is working to reposition the press as a source of national reconciliation, including the development of a National Observatory of the Press.
- b) **Partnerships with local faith-based organisations have brought to bear membership, networks, legitimacy and political access unmatched by many other civil-society actors.** Amongst others, support to mass-based Islamic organisations in Indonesia (through the Asia Foundation) worked to: (i) pressure local government into increasing health and education spending; (ii) institutionalise public participation in budget monitoring; and (iii) reduce the regulatory burden on small and medium enterprises (see also Annex 2.3)
- c) **An increasing number of DFID country programmes now work with the private sector to promote pro-poor growth.** Successful examples include support to policy advocacy aimed at removing regulatory constraints on small- and medium-sized enterprise development, and to promote corporate good governance, under the Better Business, Business Against Corruption and Extractive Industries Transparency Initiatives in Nigeria.
- d) In the Andean region, **networks have proved a highly effective means of scaling up best practice, and are now central to DFID's exit strategy.** They include: (i) Foro Salud, an advocacy network around health policy at national and local levels in Peru; (ii) Grupo Nacional de Trabajo para la Pobreza (GNTP), a 'community of practice' trained in participatory techniques working to support conflict resolution and decentralisation in Bolivia; and (iii) the Programa de Aprendizaje Regional (PAR) which supports dialogue between local government associations and the IFIs (see Annex 2.4).
- e) **DFID also works to strengthen parliamentarians directly and through civic engagement.** In Ghana, RAVI successfully supported CSOs in lobbying parliament over amendments to bills on mining, disability, domestic violence, and broadcasting. In Nicaragua, DFID bought into a UNDP fund for political party development and youth leadership. This seeks to transform a dogmatic and militant political culture into a more democratic and inclusive one. It is, however, too early to judge the success of these interventions in strengthening parliamentarians as agents of accountability.

Some programmes have built **highly effective alliances of 'non-traditional' partners**. These may only come together at moments of political crisis but can be very influential. Examples include MFP Indonesia which successfully brokered alliances between customary representatives, trade union activists, extractive industry, political parties and local government to challenge the withdrawal of community forest management rights by central government (see Annex 2.5).

## **14. Where are the major gaps in DFID's portfolio of non-traditional partners?**

The review was too brief to identify with confidence the principal gaps in DFID's 'non-traditional' portfolio. That said, it did not find many examples of working with membership-based organisations including **diaspora and 'home-town' associations**, and **traditional/ customary structures**, though these are often very influential. The review did not also identify work with **accountability mechanisms such as ombudsmen and human rights commissions**.

This may reflect the initial findings of the ongoing OECD-DAC review that:

- a) **Most support to citizen voice and accountability takes place at a national level, with less focus on CBOs and rural CSOs.**
- b) **Donors are working much less with membership-based organisations.**
- c) Most interventions focus on civic engagement with executive agencies. **Fewer focus on accountability mechanisms** such as parliaments, political parties, public complaints mechanisms, anti corruption and electoral commissions, and human rights institutions.

**Working with non-traditional groups is, however, more difficult in some contexts than in others.** In DRC, for example, the huge size and instability of the country means that working beyond capital-based NGOs remains a significant challenge, without substantial investment in civil society mechanisms in different provinces. MFP Indonesia adopted a highly decentralised structure, but in a much less risky operating environment.

## 15. What are the implications of a shift to multi-donor mechanisms for working with 'non-traditional' partners?

The experience of GNTF and MNCS in Bolivia suggests that **the shift to multi-donor basket funds** can increase reporting requirements where not all donors are equally able to take risks and work at arms length from civil-society grantees. This can be problematic for many non-traditional partners who are unaccustomed to working with donor systems and structures, and have little management capacity.

With WP3's emphasis on engaging with political society, and where other donors without a country-led approach may be less able to take risks, **the onus may be on DFID to spearhead partnerships with 'non-traditional' CSOs and/or to act as a conduit for other donors to fund under silent partnerships.**

However, **care needs to be taken not to over-institutionalise non-traditional partners in an attempt to comply with complex donor reporting requirements.** In the case of GNTF, the creation of management structures arguably upset the balance of power within the membership of this 'community of practice'.

An alternative may be to **restrict the operation of harmonised instruments to selected elements of civil society with greater management capacity,** leaving donors to work bilaterally with other more marginal or political CSO actors (see also Southern Africa Trust, 2007).

## 16. How might donors better reach non-traditional partners?

The review identified a range of strategies to enhance reach to non-traditional partners. These include:

- a) **Diverse, experimental funding with strong facilitation capacity**, allowing donors to identify 'winners' and nurture coalitions through incremental learning. Examples include MFP Indonesia and RAVI Ghana.
- b) **Working with intermediaries with a history of engagement with particular 'non-traditional' groups** – e.g. the Asia Foundation in respect of Islamic mass-based organisations.
- c) **Facilitating the development of a cascade of different funding mechanisms** to reach different groups within civil society – e.g. as in the case of Bolivia.
- d) **Differentiating grant-making, minimise reporting requirements and giving partners the space to fail and learn from their mistakes**, in an effort to engage with less experienced 'non-traditional' groups including grassroots CBOs. Examples include C3 in Zambia, FCS in Tanzania and MJF in Bangladesh (see also Annex 2.7 b).

Programmes working to reach the poorest in society also:

- a) **Include the poor in programme governance structures**. An example is Samata in Bangladesh, a fund for the landless and underprivileged, whose decision-making bodies draw on grassroots women's and men's groups (see Annex 2.6).
- b) **Focus on pro-poor themes**, including a 'Safety-net programme' under the FCS, and MJF's programmes on 'Rights of the Marginalised' and 'Workers Rights'.

Finally, **non-traditional actors challenge civil society support programmes to work more politically**. Certain actors may only engage where there are **clear incentives for collective action**. This could include opportunities for informal rent seeking or promises to 'deliver the vote' as the price for securing the buy-in of party political factions (see also Annex 2.5).

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## Annex 1: List of civil society support mechanisms studied

Country	Support mechanisms studied
Ghana	<ol style="list-style-type: none"> <li>1. Ghana Research and Advocacy Programme (G-RAP)</li> <li>2. Rights and Voice Initiative (RAVI)</li> </ol>
Tanzania	<ol style="list-style-type: none"> <li>3. Rapid Funding Envelope (RFE)</li> <li>4. Tanzania Media Fund (TMF)</li> <li>5. Foundation for Civil Society (FCS)</li> </ol>
Kenya	<ol style="list-style-type: none"> <li>6. Political Empowerment Programme PEP</li> <li>7. Pathways to Environmental Action in Kenya (PEAK)</li> <li>8. Country PPA's with Oxfam, Action Aid and Save the Children</li> </ol>
Zambia	<ol style="list-style-type: none"> <li>9. City Challenge Fund (C3)</li> </ol>
Nicaragua	<ol style="list-style-type: none"> <li>10. Common Fund for Supporting Civil Society on Democratic Governance.</li> <li>11. UNDP Multi-Donor Fund for Political Parties and Political Systems Reform in Nicaragua</li> <li>12. Joint Donor Fund Against Corruption</li> </ol>
Bolivia/ Andean Regional	<ol style="list-style-type: none"> <li>13. Grupo Nacional de Trabajo para la Participación (GTNP)</li> <li>14. Mecanismo Nacional de Control Social (MNCS)</li> <li>15. Programa de Aprendizaje Regional (PAR)</li> </ol>
Indonesia	<ol style="list-style-type: none"> <li>16. Multi-stakeholder Forestry Programme (MFP)</li> <li>17. Community Foundations</li> </ol>
Bangladesh	<ol style="list-style-type: none"> <li>18. Samata</li> <li>19. Uttaran</li> <li>20. Manusher Jonno (MJ)</li> </ol>
Nigeria	<ol style="list-style-type: none"> <li>21. Coalitions for Change (C4C)</li> <li>22. Capacity Building for Decentralised Development (CBDD)</li> <li>23. Policy and Knowledge</li> </ol>
Sierra Leone	<ol style="list-style-type: none"> <li>24. ENCISS</li> </ol>
Democratic Republic of Congo	<ol style="list-style-type: none"> <li>25. Multi-donor media support fund</li> </ol>

## Annex 2: Further case-study material

### Annex 2.1: Working 'through, with and around' the IFIs in Bolivia

With the closure of DFID's bilateral programme in Bolivia, most of DFID's aid is routed through World Bank and IDB Trust Funds. But where DFID has relatively little influence over how IFI Trust Funds are deployed, DFID also brokered

- (i) joint-funded work on pro-poor policy (working '**with**' the IFIs); and
- (ii) a range of multi-donor basket funds for support to local government, civil society and informal advocacy processes which the IFIs might otherwise struggle to engage with (working '**around**' the IFIs).

This is essential to embed IFI investments in DFID's legacy of local partnerships. The key elements are:

- a) Co-funding of a **World Bank study on 'Social Policy, Rights and Entitlements'**, and an equivalent **BID study on 'Reaching the very poorest'**. This builds on DFID's programme Right to Identity which supported civic education at a time of severe political conflict.
- b) **Grupo Nacional de Trabajo para la Pobreza (GNTP)** – a 'community of practice' working to strengthen decentralised government. This is now funded by a multi-donor basket fund piloted by DFID Bolivia.
- c) **Fondo Canasta**, a multi-donor basket fund (also facilitated by DFID) which support the Local Government Association in facilitating dialogue and 'learning by doing' on local governance reform. Both GNTP and the Fondo Canasta complement an IFI policy loan on decentralisation.
- d) **Programa de Aprendizaje Regional (PAR)** – a regional initiative which supports local government and civil society in influencing the IFIs. PAR functions as a 'learning laboratory', working to link the IFIs with innovative policy processes and best practice examples on the ground (see also Annex 2.4).
- e) **Mecanismo Nacional de Control Social (MNCS)** – a product of Jubilee 2000 and the HPIC-related Dialogo Nacional, the MNCS responds to a broad though unspecific legislative mandate for social auditing. With its own basket fund, the MNCS works nationally and sub-nationally, as well as through PAR to influence the IFIs.

### Annex 2.2: Sustaining strategic policy dialogue in Indonesia

Building on the work of the Multi-stakeholder Forestry Programme (MFP) (2005 – 2006), DFID has structured a cascade of support mechanisms to sustain strategic policy dialogue and civic engagement. In particular, they seek to maintain support to negotiation and conflict resolution at local and national levels, previously nurtured under the MFP.

To achieve this, DFID has taken the lead in establishing a **multi-donor platform and fund for the natural-resources sectors** (ICARUS). This will provide a means to co-fund policy research in partnership with the World Bank, as well as to mobilise multi-donor funding for other elements of the portfolio. SRI mirrors the newly-established National Forestry Council as the principle forum for multi-stakeholder dialogue on sector reform.

**Strategic facilitation and grant-making for national-level advocacy** will be sustained under a partnership with Kemitraan, previously the UNDP Partnership for Governance Reform, now an Indonesian institution. A multi-donor basket fund for support to Kemitraan is currently being structured around DFID seed money, to be overseen by a board with donor participation. Donor buy-in includes AusAid and NORAD.

Kemitraan will also act as a conduit for funding up to **six Community Funds in the various regions of Indonesia**. These build on partnership portfolios nurtured by MFP over the past five years. A number of Community Funds were expressly established at the behest of local coalitions seeking to sustain support for civic engagement – with both civil society and local government on their boards.

This portfolio of instruments works in a similar way to that developed by DFID Bolivia (see Annex 2.1). The bulk of DFID's aid money in Indonesia now flows through the multilaterals as part of its long-term exit strategy. Amongst others, a substantial Trust Fund has been committed to the multi-donor **Decentralisation Support Facility (DSF)**, managed by the World Bank. Where the DSF is not able to work as flexibly as MFP did, ICARUS, Kemitraan and the Community Funds have a vital role in linking the DSF with innovative policy processes and best practice examples on the ground.

### **Annex 2.3: Working with faith-based organisations**

Partnerships with local faith-based organisations have brought to bear membership, networks, legitimacy and political access unmatched by many other civil-society actors. Examples include:

- (i) The Catholic Church in Bolivia, in the initial development of the MNCS and now in the delivery of training to peasant unions with Fundación UNIR.
- (ii) DFID's partnership with the *confessions religieuses* in DRC for delivery of civic education under the transitional government. This proved highly effective in accessing local communities in otherwise difficult circumstances.
- (iii) The Jesuit Centre for Theological Reflection (JCTR) in Zambia, which has been highly influential in the development of pro-poor economic and tax policy, and is the secretariat for Jubilee 2000-Zambia. Amongst others, JCTR facilitated a DFID study on civil society participation in the PRSP process.
- (iv) A partnership with the Asia Foundation on support to Islamic mass-based organisations, for advocacy on public expenditure and economic policy reform. This also speaks to a cross-Whitehall agenda on strategic engagement with the Islamic world (see Box 1).

### Box 1: Islamic mass-based organisations as agents of citizen voice and accountability

DFID is funding The Asia Foundation (TAF) to bridge technical NGOs and the key Islamic mass-based organisations on pro-poor budget advocacy and economic policy reform. **A history of engagement with the Islamic mass-based organisations since the 1970s meant that TAF was a natural partner.** A focus on poverty (as opposed to other potentially more sensitive issues such as gender empowerment) also meant that UK funding has not proved problematic.

Indonesia's principal Islamic organisations include the Muhammadiyah and the Nahdlatul Ulama (NU). They have a **membership base of millions spanning CSOs, government and parliamentarians at all levels.** They have **unmatched appeal to the grassroots as well as to elites.** Though highly influential, most of the Islamic organisations lack technical skills in policy advocacy. **TAF is currently working to broker collaboration between the Islamic organisations and the technical NGOs.**

Work on pro-poor budget advocacy builds on the new-found willingness of local government bodies and officials to share budgetary information and to involve CSOs in budgetary drafting, following decentralisation in 1999. Amongst others TAF has successfully facilitated partnerships between the Solo Regional Study and Information Centre (Pattiro Solo) and LABDA (an affiliate of the Muhammadiyah), and between Islamic leaders and the Indonesian Healthy and Well Family Foundation (YKSSI).

As such they are **well positioned to match the considerable accountability demands of Indonesia's Medium Term Development Plan (RPJMN) (2004 – 2009).** This envisages a country-wide roll out of community-driven development and cash transfer schemes under the President's flagship programme PNPM.

In addition **TAF is facilitating work by the Indonesian Muslim Entrepreneurs Network (JPMI) to advocate for regulatory reform,** in particular to reduce the prohibitive cost of *halal* certification for small and medium enterprises – a function currently monopolised by the Indonesian Ulama Council (MUI).

## Annex 2.4: Networks in the Andean region

In the Andean region, **networks have proved a highly effective means of scaling up best practice, and are central to DFID's exit strategy.**

Prior to its withdrawal from Peru in 2004 - 2005, DFID funded the development of **Foro Salud** (Health Forum). Initially a space for researchers and practitioners, the network has since evolved as a vehicle for participation and advocacy through 15 thematic and 17 regional fora or 'mesas'. The latter are particularly important because health policy is increasingly set by local government. Foro Salud also targets the National Health Council, the Ministry of Health, the National Congress and political parties. Its comparative advantage is its ability to table evidence-based policy recommendation.

In **Bolivia**, DFID funded the development of the Grupo Nacional de Trabajo para la Pobreza (GNTP) (National Poverty Working Group), a 'community of practice' trained in participatory techniques and mediation. GNTP works to support local government planning processes. As such, it complements the conflict resolution work of Fundación UNIR as well as support to local government under the Fondo Canasta (see Annex 2.1).

GNTP also works through the broader **Programa de Aprendizaje Regional (PAR)** to facilitate learning between the IFIs and local government partners. Under DFID's Regional Assistance Plan in the Andes, PAR was developed in partnership with the Impact Alliance - a global network of civil society organisations with experience in sub-national governance. PAR works to:

- (i) Promote regional policy dialogue on the role of local governments in poverty reduction towards the MDGs.
- (ii) Support shared learning through case studies, planning seminars and regional exchanges.
- (iii) Disseminate results to better inform IFI programming.

### **Annex 2.5: Working with 'non-traditional alliances' in Indonesian Papua**

As the DFID Multi-stakeholder Forestry Programme in Indonesia evolved, it began to work more explicitly in the political economy. In Papua, this included support to a 'non-traditional' alliance of customary representatives, trade union activists, extractive industry, political parties and local government. This came together following the sudden withdrawal of local government timber licenses by central government. At stake were the rights of indigenous communities to log their forests and to enter into partnerships with the private sector. The alliance proved highly effective in its attempts to reassert provincial authority over forest management, working formally through representations to Parliament as well as informally through party-political factions.

Success factors included:

- **A convergence of interests** in seeking the restitution of local-government community logging licenses (rents, rights, investor security and employment).
- **The capacity to broker**, in this case a dedicated programme facilitator with strong local credibility and a good knowledge of the political landscape.
- **Effective interlocutors**, in this case key reformists in the provincial government whom MFP had worked to position through a process of policy mentoring.
- **Grassroots mobilisation** through small grants and technical support to CBOs working to revitalise customary institutions and to strengthen the capacity of communities to negotiate with government and investors.

The sudden withdrawal of licensing rights by central government was a major set-back for MFPs investments in Community Based Forest Management, at least in the short term. In hindsight, it provided a chance opportunity for actors to find common cause, placing the local reform agenda on a much stronger footing in an otherwise fragile and politically unstable setting.

## Annex 2.6: An issue-based network in Bangladesh: the case of Samata

Samata is a multi-donor programme supported by the UK Department for International Development (DFID), the Royal Norwegian Embassy, the Swedish International Development Agency (SIDA) and Bread of the World. Samata (a Bengali word for equality) is a Membership and Social Mobilisation Organization for the Landless Poor in Bangladesh. It is in fact a national Non-Governmental Development Organisation that defines its identity as a people's movement and network that has become an NGO over time. As such, it combines its membership base with work as a professional NGO. Its unique feature is its strong grassroots base, consisting of men and women's groups (twenty each). Each elects representatives onto the Samata General Committee (SGC) on a three-year cycle. The SGC in turn elects 15 members (female – 8, and male – 7) to serve on the Samata Executive Committee (SEC). This includes an Executive Director acting as a non-voting member secretary. It has 1360 staff headed by an Executive Director, accountable to the SEC. It has a total of 11,008 groups at grassroots level (of which 6,116 are women) with 2,002,748 group members. Samata also works with a further 14,612 groups (9,712 women groups), through a national network of like-minded local NGOs, the 'Land and Agrarian Network for Development (LAND)'.

Samata has had significant impact in mobilising grassroots groups to secure land and resource rights. This often implies confrontation with those in authority. The latter are often directly linked to political parties and can easily take advantage of their power to punish dissent. Samata's achievements since its establishment in the 1980s include:

- (i) Recovery and redistribution of 93,189.15 acres of *khas* resources (land, water bodies, etc.) among 1,900,012 landless families. These are registered in the name of both husband and wife in each family to avoid intra-familial marginalisation.
- (ii) 458 landless men and women group members elected as Union Parishad (local government) members and 163 elected as members of the standing committees of the Union Parishad. This reflects the leadership and empowerment generated through support to men's and women's groups.
- (iii) Amendment of three Government Acts relating to land (Transfer of Property Act, Registration Act, and Specific Relief Act).
- (iv) A Land Rights Day National Observation Committee, with 275 local, national and international organisations, to observe 10<sup>th</sup> June as Land Rights Day.

Success factors include its focus on engaging and working with citizens to understand the legal processes under which resources are managed. Samata is set up in such a way as to broker poor citizens' own actions and pressure for change through legal rights education. Its advocacy has also resulted in tangible outcomes for the poor – including access to land, education, health and financial services. Samata works closely with the media and conducts action research in order to strengthen its evidence base for advocacy.

**Box 2: Samata in context**

In Bangladesh, there is an extensive range of formal rights reflecting a progressive liberal constitution. This establishes the state's commitment to Universal Human Rights. In practice, however, the ability to enjoy rights depends on who you are, what you have and whom you know. The landless poor face extensive barriers when attempting to obtain access to services, resources and livelihood opportunities, Monopolistic state-service providers and an underdeveloped private sector underlie extensive market failure, and poverty and inequality along class and gender lines. Political parties are generally dependent on local and national elites who grab public resources and mobilise dependent clients, rather than the independent 'voting power' of the landless poor. As a result, politicians are unlikely to hold officials to account or press for pro-poor reform. In this situation, Samata works first and foremost as a movement of landless people and then a national non-governmental development organization. It is registered as a Joint Stock Company under the Societies Regulation Act XXI- 1860 and the NGO Affairs Bureau.

Source: SAMATA flyer, collected in May 2007.

**Annex 2.7: A Local Multi-donor Intermediary Organisation: the case of Manusher Jonno in Bangladesh**

Manusher Jonno (MJ) started out as a DFID-funded project in 2002. Initially named Human Rights and Governance (HUGO), it was deliberately designed as a local funding mechanism to support work on human rights and governance in Bangladesh. The fund was managed by a consortium led by CARE, and also included Deloitte and Touche (D&T) and the Bangladesh Legal Aid and Services Trust (BLAST). A Steering Committee oversaw funding criteria.

In 2006, MJ became an independent, locally-led institution. It registered with the Joint Stock Company as a company limited by guarantee, and changed its title to the Manusher Jonno Foundation (MJF). The Steering Committee became a Governing Board (GB), providing guidance and oversight (see below for the structure).<sup>11</sup>

MJF aims 'to make poor women, men and children more able to achieve their civil, political, economic and social rights and to improve their security and well-being'. It aims to achieve this goal by working through NGO partners, through which it channels funding as an intermediary funding organisation. It also facilitates and provides technical support to networking and advocacy; monitors the human rights and governance outlook in the country, and publishes information for public use.<sup>12</sup>

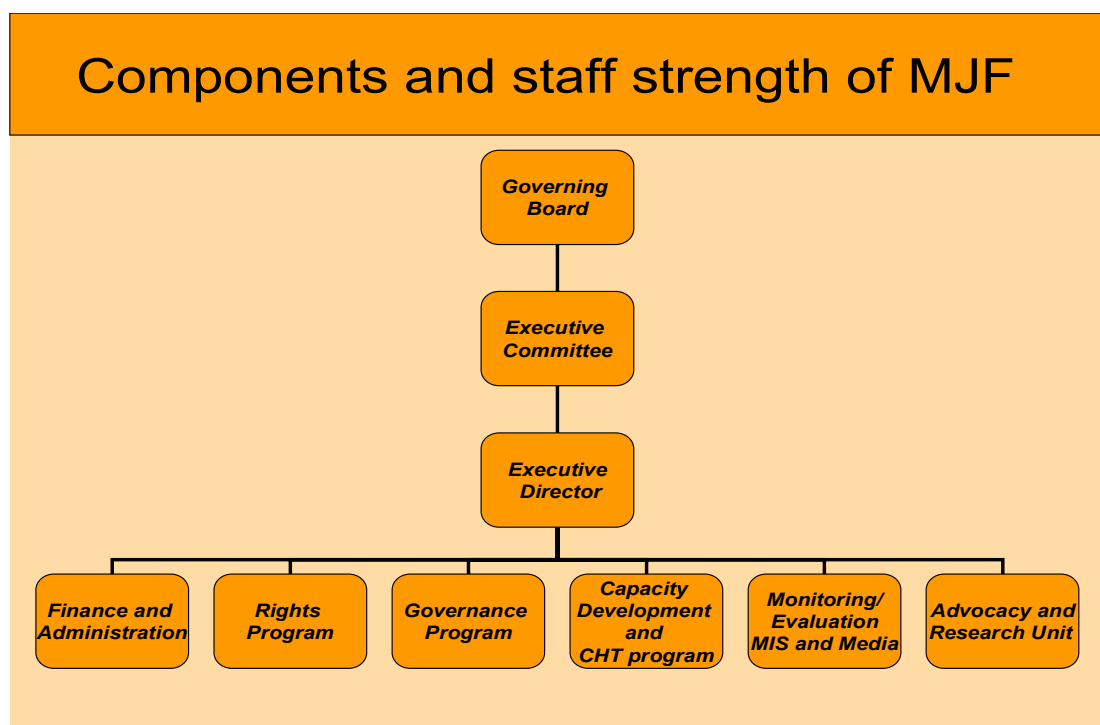
<sup>11</sup> The Governing Board is made up of nine members, with three of them forming the Executive Committee. There are also three members of the GB that are on the reserve list in cases of any resignation or otherwise among the nine working members.

<sup>12</sup> Most of this information was taken from MJF's 2006 Annual Report, published in 2007.

MJF is unique in combining a traditional donor or funding role<sup>13</sup> with that of an NGO in mobilising civil society around specific development ends. As a donor, it provides two rounds of funding each year, and applies strict criteria in respect of financial and content eligibility. Proposals are judged on the basis of 10 thematic areas and funding is banded allowing smaller NGOs to also compete (see below for the 2006 distribution). The programme areas already funded by MJ are listed in section (c) below.

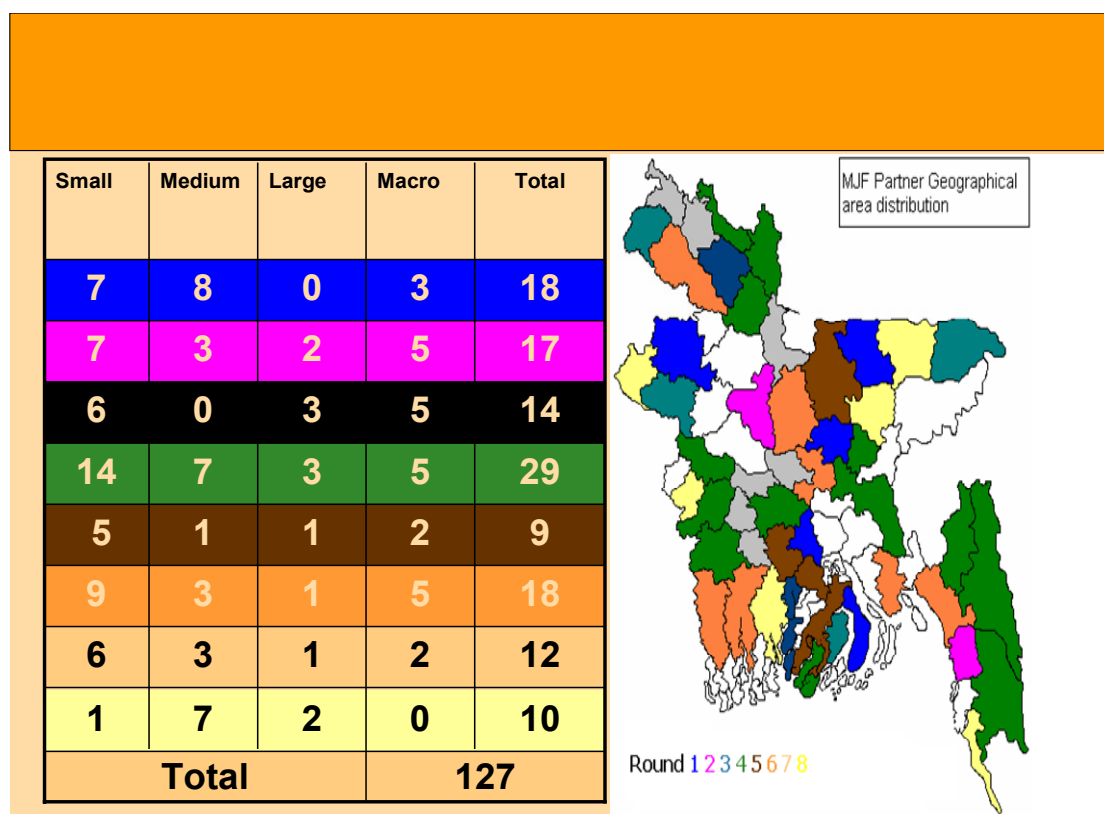
From 2007 MJF began to secure support from other donors. Funding has just been secured from the Royal Norwegian Embassy, with prospects of further buy-in from SIDA and the Royal Netherlands Embassy. MJ has so far had significant impact through its funded projects, including submission of a draft law on domestic violence to the Law Commission; the settlement of legal claims by marginal groups in government land; incorporating disability into the PRSP, and enabling marginalised people to access legal aid funds.

(a) Structure of Manusher Jonno Foundation:



<sup>13</sup> Channelled about £13.5 million to CSOs as up to 2007 and earmarked for double or triple this amount in the next phase that ends in 2012.

(b) Size and geographical outreach of MJF:



(c) Programmatic outreach of Manusher Jonno Foundation as at June 2007:

<b>MJF Support in Programmatic Areas</b>	
<b>Programmatic Areas</b>	<b>No. of projects</b>
Violence Against Women	20
Rights of Marginalized and Poor	34
Worker Rights	16
Access to Justice	7
Child Protection and Development	14
Right to Information	7
Improving local Governance	9
Governance Performance Monitoring	7
Socio Economic Development of Chittagong Hill Tract	9
Others including Corporate Governance	4
<b>Total</b>	<b>127</b>

### Annex 3: Overview of Civil Society Support Programmes (identified by the inception report literature review)

Direct Facilitation					
Definition of mechanism	Brokering trust, dialogue and partnerships for policy innovation between the state and civil society organisations				
<b>Name</b>	MFP Indonesia	Promotion, Negotiation and Dialogue in Bolivia (PND) 2003 - 2006	Pathways to Environmental Action in Kenya (PEAK) 2003 – 2007	Grupo nacional de trabajo para la participación (GNTP) Bolivia	
<b>Donor mix</b>	INGOs; NGOs; CBO-Urban; CBO-Rural; FBO; Cooperative; Government	DFID mainly; interested donors include Sweden, Denmark, Switzerland, Japan, Belgium, Canada	UNDP, DFID, SIDA, RNE, DANIDA	DFID, Ford Foundation and IDS, Catholic Relief Services, USAID, DIACONIA and SNV	
<b>Objective of funding modality/ intervention</b>	A comprehensive programme of support to civil society and government organisations, through grants and strategic facilitation that could broker new relationships between citizens and the state.	To contribute to the construction of an intercultural and democratic society, strengthening areas for consensus building between and among the state and civil society.	Government more accountable, transparent and participatory in its approach to policy development and implementation. Civil Society better able to influence environmental decision-making. Wider proportion of society able to access justice in environmental disputes. Private sector and regulatory authorities working more effectively together on compliance issues.	To form a network of CSOs aimed at broadening the access of many individuals and organisations in Bolivia to concepts, methodology and resources that would increase their capacity to integrate participation as a pillar of their work to reduce poverty and increase representation of the poor in public policies and programmes.	
<b>Design features</b>	£25m	£1m	Approx. £600,000	US\$ 755,270	

Direct Facilitation				
Brokering trust, dialogue and partnerships for policy innovation between the state and civil society organisations				
Definition of mechanism	Name	Promotion, Negotiation and Dialogue in Bolivia (PND) 2003 - 2006	Pathways to Environmental Action in Kenya (PEAK) 2003 – 2007	Grupo nacional de trabajo para la participacion (GNTP) Bolivia
a) Size of budget				
b) Institutional	6 national facilitators, and one facilitator in each of six regions across the country, developed local networks and brokered relationships that rebuilt trust between alienated groups. Provided technical and organisational support, facilitated shared learning amongst programme grantees, built up strategic policy evidence and analysis, and provided a platform for local and national policy advocacy.	UNIR was legally registered and has the necessary administrative and financial systems in place. DFID worked on this national foundation from scratch. Not clear of its set up.	DFID facilitating donor coordinated funding through the Kenyan Poverty and Environment Initiative (PEI) PEAK chose to work with three prominent NGOs that focus their work in specific areas rather than on general environmental matters.	A 'core group' or steering group managing a network of eight active organisations, 22 organisations just coordinating with GNTP. It has one charismatic co-founder (with DFID) serving as its Executive Director.
c) Submission	Not clear	Not clear	Direct recruitment of NGOs	Not clear

Direct Facilitation					
Brokering trust, dialogue and partnerships for policy innovation between the state and civil society organisations					
Definition of mechanism	Name	Promotion, Negotiation and Dialogue in Bolivia (PND) 2003 - 2006	Pathways to Environmental Action in Kenya (PEAK) 2003 – 2007	Grupo nacional de trabajo para la participacion (GNTP) Bolivia	
requirements	MFP Indonesia		working on Forestry – charcoal		
d) Target group	NGOs, community-based organisations, unions, research facilities, media groups, local governments and national Ministry of Forestry.	Various social groups, including indigenous people.	NGOs working on a specific forestry programme.	Engaging municipalities and communities by building the capacity of local NGOs and working as an articulator.	
e) Disbursement vs. capacity building	Not clear	Not clear	Not known	Not known	
f) Complementing other mechanisms	Ministry of Forestry	Not clear	The Kenya Poverty Environment Initiative (PEI) managed by UNDP	Not clear	
<b>Coverage</b>	Local to National	National	National	Regional	
<b>Sector</b>	Forestry	Politics and society	Forestry – Charcoal	Capacity building	
<b>Intervention Impact area</b>	Accountability and responsiveness	Institutional UNIR is recognised for its innovation, particularly in the areas of improving the quality and access to information; working to overcome	Awareness creation, advocacy	Participation and governance	

Direct Facilitation				
Definition of mechanism	Brokering trust, dialogue and partnerships for policy innovation between the state and civil society organisations			
Name	MFP Indonesia	Promotion, Negotiation and Dialogue in Bolivia (PND) 2003 - 2006	Pathways to Environmental Action in Kenya (PEAK) 2003 – 2007	Grupo nacional de trabajo para la participacion (GNTP) Bolivia
<b>Impact Description</b>	There are marked impacts on governance, changes in the ways people think and act, and changes in the institutions which govern forest resources. Locally rooted political processes of policy reform are unfolding in many districts: diverse actors are engaged in multi-stakeholder dialogue, which is rebuilding trust, reducing conflict and building up policy evidence, which in	discrimination and racism; promoting intercultural recognition and respect and building national capacities to resolve conflicts and mediate. Not clear	General awareness of charcoal issues has increased dramatically, a massive step forward from 2002 when charcoal was considered a dirty word.	Output to purpose impact statements, as exemplified in the Logo link programme and the Regional Group.

Direct Facilitation				
Definition of mechanism	Brokering trust, dialogue and partnerships for policy innovation between the state and civil society organisations			
Name	MFP Indonesia	Promotion, Negotiation and Dialogue in Bolivia (PND) 2003 - 2006	Pathways to Environmental Action in Kenya (PEAK) 2003 – 2007	Grupo nacional de trabajo para la participacion (GNTP) Bolivia
	turn is leading to significant policy reform and poverty reduction.			
<b>Measurement of impact indicators</b>	Changing attitudes of local government, NGOs, business and politicians, changing policies at district, local and national levels; changing rules of the game such as transparency, role of CSOs; building of skills and capacity among main institutions of local government, ministries, NGOs and CBOs; poverty impacts such as reduced vulnerability and better incomes.	Not clear	Descriptive measurements, output to purpose.	Not clear

By intermediaries: CSOs/Company/Other (1)				
Definition of mechanism	Channelling support via CSO bodies and networks at a level beyond donors' capacity to intervene directly			
Name	Foundation for Civil Society – Tanzania (2002 – 2008)	Ghana Research and Advocacy Programme (G-RAP)	Manusher Jonno-Bangladesh (2002 – ongoing)	Uganda City Community Challenge Partnership (2001 – 2005)
<b>Donor mix</b>	DFID, SDC, DCI and RNE	DFID; CIDA; DANIDA; Royal Netherlands Embassy	DFID; NORAD; RNE and Sweden interested	DFID
<b>Objective of funding modality/intervention</b>	Delivering grant aid and supporting capacity-building initiatives as a means of strengthening effective engagement in poverty reduction.	A pooled funding mechanism for supporting the institutional development of Research and Advocacy Organisations (RAOs) in Ghana.	Funding for promoting human rights and governance.	To develop effective and transferable mechanisms capable of channelling multiple small scale funds to community-led initiatives involving government, CSOs and private sector.
<b>Design features</b>				
a) Size of budget	Not clear	US\$ 7million	£16,520,000	Not clear
b) Institutional	Governed by an independent Board and Council Members	Project Management Team: responsible for grant making procedures, and for contracting out TA for RAOs that need it. Funders' Committee: responsible for making decisions on grants after recommendation by PMT; Advisory board: six members of appointed people from CS, donors and government (chairperson of Finance and Public	Registered as a company limited by guarantee and licensed under Section 28 of the national Companies Act 1994; changed from management by Steering Committee to the Governing Board of MJF, of nine members of prominent representatives of the society, each with the highest degree of individual professionalism and	Local implementation unit comprising of representatives of the urban poor at the parish/divisional level (LC 1,2 and 3) together with CBOs and local private enterprises. The unit makes decisions, including disbursement of funds to approved beneficiaries. National advisory group.

By intermediaries: CSOs/Company/Other (1)				
Definition of mechanism	Channelling support via CSO bodies and networks at a level beyond donors' capacity to intervene directly			
Name	Foundation for Civil Society – Tanzania (2002 – 2008)	Ghana Research and Advocacy Programme (G-RAP)	Manusher Jonno-Bangladesh (2002 – ongoing)	Uganda City Community Challenge Partnership (2001 – 2005)
		Accounts Committee).	personal integrity. However, not inclusive of grassroots NGOs nor sector specialist NGOs.	
c) Submission requirements	Activities that fall into categories of policy, governance, safety nets and advocacy strengthening. Graduated into strategic grants (SG), medium grants, rolling small grants and registration development grants	Applicants undergo institutional audit. Grants of between 25% and 40% of the institutions budget. Core funding for three years, with provision of extension to five years. One-off support to promising RAOs for institutional development.	A two-step screening procedure, concept notes (PCN) and then the best and the most relevant project notes are selected for further development into full project proposals submitted to the Steering Committee for final funding decisions. Grants are categorised into small, medium, large and macro size.	Varied but accommodative of the poorer who are less organised and not able to write proposals. Funding categorised into small grants (max. \$5000), medium cost (between \$5000 and \$10000) and large projects of over \$10000
d) Target group	Well organized CSOs to less organized CBOs	Offering multi-annual core funding to a group of the most established RAOs, selected on a competitive and needs-assessment basis, together with once-off grants and technical assistance to emerging	Poor women, men and marginalized people	For local groups, to support for a wide range of initiatives and not limited by a specific project focus; the poorer groups within the poor, including those that are less able to organise or write their own proposals.

By intermediaries: CSOs/Company/Other (1)			
Definition of mechanism	Channelling support via CSO bodies and networks at a level beyond donors' capacity to intervene directly		
Name	Foundation for Civil Society – Tanzania (2002 – 2008)	Ghana Research and Advocacy Programme (G-RAP)	Manusher Jonno-Bangladesh (2002 – ongoing)
		RAOs	
e) Disbursement vs. capacity building	Less or non-capacity building with SG's, more with registration.	Capacity building provision for less established RAOs.	Use of available resources and existing structures.
f) Complementing other mechanisms	Links to the Tanzanian PRSPS (Mkukuta) but less clear on links with other funding instruments.	Compliments GPRS and MDBS.	Compliments decentralized programmes in the city, through positive effects on local governments in terms of governance.
<b>Coverage</b>	National to local	National	Sub-national, urban
<b>Sector</b>	Various, as long as falls in categories stipulated above	Various	Various
<b>Intervention impact area</b>	Improve service delivery; political behaviour; functioning of institutions; access to funding.	Evidence-based advocacy.	Improve service delivery; political behaviour; functioning of institutions; access to funding.
			Local and urban governance, governance performance monitoring, Chittagong Hill Tract, rights of extreme poor, marginalized and socially excluded, violence against women, child rights, workers rights, corporate governance, right to information, access to justice.

By intermediaries: CSOs/Company/Other (1)			
<b>Definition of mechanism</b>	Channelling support via CSO bodies and networks at a level beyond donors' capacity to intervene directly		
<b>Name</b>	Foundation for Civil Society – Tanzania (2002 – 2008)	Ghana Research and Advocacy Programme (G-RAP)	Manusher Jonno-Bangladesh (2002 – ongoing)
<b>Impact Description</b>	Output to purpose	Not clear	Output to purpose
<b>Measurement of impact indicators</b>	Not clearly stipulated	Not clear	Output to purpose How local governance processes and institutional arrangements are enhanced.

By Intermediaries: CSO or private company (2)					
Channelling support via CSO bodies and networks at a level beyond donors' capacity to intervene directly					
Definition of mechanism					
Name	Rights and Voice Initiative (RAVI)	Rapid Funding Envelope – Tanzania (2002 - )	SAMATA Empowerment Through Resource Mobilisation Programme 2001 to 2008- Bangladesh	Tanzania Media Fund (2007- )	
<b>Donor mix</b>	DFID	DFID; CIDA; NORAD; SIDA; USAID; Embassy of Finland, Royal Danish Embassy, Development Cooperation Ireland, Bernard van Leer Foundation	DFID; NORAD; EED, ICCO (The Netherlands), Interpares (Canada) and Swallows (Sweden)	DFID; CIDA; DANIDA; Swiss Cooperation, Irish Aid , RNE	
<b>Objective of funding modality/ intervention</b>	Improved accountability and responsiveness of GoG towards its citizens, particularly the poor.	The RFE fills the funding gap in the Tanzania Commission for AIDS.	Landless poor people are able to access and secure resources to improve livelihoods. Formal and informal institutions ensure active involvement of and accountability to landless poor people.	To develop and promote investigative journalism(IJ) and public journalism (PJ) as an important media genre because of the contribution it can make to promoting domestic accountability and good governance in Tanzania.	
<b>Design features</b>					
a) Size of budget	£9.4 million	Not clear from document	Not clear from document	Not clear from document	Not clear from document
b) Institutional	Steering Committee of 9 members with deep experience of Ghanaian civil society, making last decisions on grants. A Grants sub-committee of four members plays a	Deloitte and Touche (D & T) manage the RFE with technical inputs from Management Sciences for Health (MSH) a US based Consultancy company. There is a steering	Five-tier structure with women and men's groups at the grassroots, representatives of these groups forming VDCs, whose reps form Union Development Committees (UDCs) whose reps form ADCs.	Basket Fund committee to oversee funding, where development partners will pool their funding. Steering committee, to later become Board of Directors. Meant to provide effective	

By Intermediaries: CSO or private company (2)					
Channelling support via CSO bodies and networks at a level beyond donors' capacity to intervene directly					
Definition of mechanism					
Name	Rights and Voice Initiative (RAVI)	Rapid Funding Envelope – Tanzania (2002 - )	SAMATA Empowerment Through Resource Mobilisation Programme 2001 to 2008- Bangladesh	Tanzania Media Fund (2007- )	
	valuable role in the grant-making process, providing a critical dynamic of distance from the RAVI team (MA and Secretariat). A DFID representative sits on both SC and grants sub-committee. ActionAid is the contractual programme lead agency.	committee where D & T is a secretariat. The members comprise three TACAIDS commissioners, one ZACAIDS Commissioner and four donor partners.	Elected members of ADCs form the Executive Committee (EC) at programme level. The EC is responsible for policy. This structure has been redesigned for an advocacy structure that also includes CS representation.	coordination mechanism for donors and ensure efficiency.	
c) Submission requirements	Not clear	Not clear	Not clear	Falling into 3 components a) strategic capacity grants, b) rapid release grants and c) regional grants.	Media
d) Target group	NGOs; CBO-Urban; CBO-Rural; Media	All CSOs involved innovative HIV/AIDS work	Groups from grassroots to sub-national level	Management costs are not separated from programme costs, which was the subject of the 2005 OPR.	Not clear
e) Disbursement vs. capacity building	Within the overall RAVI budget, the management cost allocation was 24%. A review, however, recommended that it	USAID taken up all administrative costs and there is no capacity building component for national CSO institutions, except through feedback given on funding			

By Intermediaries: CSO or private company (2)					
Channelling support via CSO bodies and networks at a level beyond donors' capacity to intervene directly					
Definition of mechanism	Name	Rights and Voice Initiative (RAVI)	Rapid Funding Envelope – Tanzania (2002 - )	SAMATA Empowerment Through Resource Mobilisation Programme 2001 to 2008- Bangladesh	Tanzania Media Fund (2007- )
	needs to be balanced with the recognition that the implementation of rights based approaches demands skilled inputs.	rejections.			
f) Complementing other mechanisms	G-RAP, Business Sector Advocacy Challenge Fund (BUSAC+), Business Linkages Challenge Fund, Civil Society Strengthening Facility.	Part of the National Multi Sectoral Strategic Framework, by focusing on CSO activities and initiatives. On the part of DFID, it is part of CAP and the Secretary of States commitment.	Not clear		Complementarity of this funding to other media providing funds is not yet established.
<b>Coverage</b>	National	National	National	National	National
<b>Sector</b>	Various	HIV/AIDS and OVCs	Various groups and NGOs working on land issues.	Various groups and NGOs working on land issues.	Media
<b>Intervention impact area</b>	Improve service delivery; political behaviour; access to funding.	HIV/AIDS, OVCs	Improve service delivery; Political behaviour; Functioning of institutions; Evidence-based advocacy.	Improve service delivery; Political behaviour; Functioning of institutions; Evidence-based advocacy.	Political behaviour
<b>Impact description</b>	Several of the intermediary grants are stimulating interesting	Not clear from document	Not clear from document	Output to purpose.	Not yet defined, new programme

By Intermediaries: CSO or private company (2)					
Channelling support via CSO bodies and networks at a level beyond donors' capacity to intervene directly					
Definition of mechanism	Name	Rights and Voice Initiative (RAVI)	Rapid Funding Envelope – Tanzania (2002 - )	SAMATA Empowerment Through Resource Mobilisation Programme 2001 to 2008- Bangladesh	Tanzania Media Fund (2007- )
		work at the CBO level in terms of citizen-government engagement.			
<b>Measurement of impact indicators</b>		Output to purpose impacts.	Not available	The framework developed by S. Crawford et al, voice, participation and accountability, transformation of power, institutional response, tangible evidence and sustained change.	Not clear

Intermediaries CSO or private company (3)									
Definition of mechanism	Channelling support via CSO bodies and networks at a level beyond donors' capacity to intervene directly								
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Channelling support via CSO bodies and networks at a level beyond donors' capacity to intervene directly					
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Name	Services is technical programme manager.		Commission as largest donor acts as co-chair Civil Society two persons representing the civil society of Aceh and Nias World Bank as co-chair, non-voting members International NGOs United Nations		
c) Submission requirements		A maximum of \$5,0000 for individual organisations	BRR submitting project proposals to Steering Committee for approval	Not clear	
d) Target group	NGOs working on elections	Grassroots communities, resident associations and organisations, professional associations, consumers associations, media, associations of municipalities, NGOs, etc.	Tsunami affected population.	National networks, INGOs, Faith-Based Organisations, CBOs, the church, Trade Unions, business associations, the academia.	
e) Disbursement vs. capacity building	Not known	Not articulated	Not clear	Not clear	
f) Complementing other mechanisms	Unclear	Unclear	Not clear	Not clear	
<b>Coverage</b>	National	National to local	National	National to local	

Intermediaries CSO or private company (3)				
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Definition of mechanism	Name	Basket Fund for Support to Civil Society for Democratic Governance (Nicaragua)	Multi-donor Fund Aceh (Indonesia)	Civil Society for Poverty Reduction (Zambia) 2000 -
	Multi-donor support to 2005 elections (Ethiopia) Advocacy	Varied	Transport, housing, flood control, irrigation works, environment, and energy.	HIV/Aids, agriculture, governance, democracy, education, gender, youth concerns, land economic issues, press freedom, environment.
<b>Sector</b>				
<b>Intervention Impact area</b>		Advocacy, monitoring	Reconstruction and governance Not clear	Various
<b>Impact Description</b>	Expected: strengthening the capacity of the National Election Board of Ethiopia; improved planning and implementation capabilities at NEBE; increased professionalism of NEBE staff; better cooperation and coordination among institutions responsible for electoral process; and increased capacity of election officials at all levels.			Raising profile of poverty reduction at national and local levels, budget monitoring.

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<b>Measurement of impact indicators</b>		Not defined	Not clear	Not clear

Core Funding	
Definition of mechanism	Funding a CSO programme based on record of achievement and strategic objectives
<b>Name</b>	PPA Kenya 2001/2002 -2006 G-RAP (same analysis as under CSO intermediary above)
<b>Donor mix</b>	DFID
<b>Objective of funding modality/ intervention</b>	Rolling over the previous sector programme funding into one basket with the aim to reduce transaction costs and move-up engagement to a more strategic level and engage CSOs in development and policy work, making the Government of Kenya (GoK) deliver the required services and be accountable.
<b>Design features</b>	
a) Size of budget	Not clear
b) Institutional	DFID funding to few strategic partners who have adequate flexibility to work on policy issues as they develop.
c) Submission requirements	The three partners, Save the Children, ActionAid Kenya and Oxfam GB had received previous funding from DFID and demonstrated reliability and effective delivery.

Core Funding	
Definition of mechanism	Funding a CSO programme based on record of achievement and strategic objectives
<b>Name</b>	Political Empowerment Project (PEP) Kenya PPA Kenya 2001/2002 -2006 G-RAP (same analysis as under CSO intermediary above)
d) Target group	INGOs; NGOs; Federation; main recipients are Institute of Economic Affairs (IEA), Institute for Education in Democracy (IED), and Transparency International Kenya (TIK). INGOs, national NGOs
e) Disbursement vs. capacity building	Not known Not all known but Action Aid Kenya recorded to have a budget structure that spends 70 - 80% funding on programme activities.
f) Complementing others	
<b>Coverage</b>	National
<b>Sector</b>	Various
<b>Intervention Impact area</b>	Improve service delivery; political behaviour; functioning of institutions; access to funding Advocacy, capacity building
<b>Impact Description</b>	The programme succeeded in altering individual's democratic orientations and enhancing individual Kenyan's capacity to make informed choices about the constitution. Yet this had little effect on individual's support for democratic values, political tolerance, and support for the rule of law. It also had limited effects on orientations about the scope of or pace of constitutional reform or on knowledge associated with the DFID PPA partners with CBOs and CSOs.

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## Annex 4: Terms of Reference

### Annex 4.1: Background

DFID's White Paper 3 (WP3) (2006) highlights the important role that civil society plays in developing capable states, that are accountable and responsive to poor people. It emphasises that civil society needs to be at the heart of our work on governance, because they play a crucial role in the functioning or building of effective states. WP3 states that active involvement by citizens is what makes the biggest difference to the quality of governance – and that active involvement, one way or another, is often channelled through civil society.

**However, in many contexts donors face considerable challenges in engaging effectively with civil society.** This is often the case, for example, in countries where a large proportion of aid is channelled through Poverty Reduction Budget Support and Sector Wide Approaches (especially where considerable scaling up of aid is envisaged); where traditional support to civil society has been limited to non-government organisations; where the transaction costs involved in identifying suitable partners and funding channels are extensive; or where civil society is fragile or under threat. Thus, across the continuum of 'good performers' to fragile states, there are important questions about how best to scale-up support to civil society.

**The UK government's commitment to increasing overseas development aid to 0.7% of GDP brings new challenges for DFID.** In addition, head count costs mean that DFID needs to learn to 'do more with less'. Both trends point to the need to consider new funding mechanisms that reduce transaction costs but that ensure we are reaching the poor through the most effective channels. We need to learn how to be more strategic and less scattergun in our approaches to working with civil society.

**In discussions at the DFID Governance Retreat in November 2006, a number of advisers mentioned that key challenges for the future will be to improve lesson learning between countries concerning engagement with civil society, to develop new funding mechanisms, and to identify how to scale up support.** They also referred to the need to explore how to work with non traditional CSO partners. In particular, some country offices (specifically Kenya, Zambia, Mozambique and Ethiopia) mentioned that they were developing multi-donor approaches to working with civil society to strengthen accountability.

**Multi donor support mechanisms provide an interesting opportunity for scaling-up and improving the effectiveness of civil society engagement** The Paris Declaration and donor commitment to harmonisation have ensured that multi-donor mechanisms are increasingly common as a way of providing aid to partner country governments – but this harmonisation principle has rarely been applied to donor support to civil society. There are an increasing number of collaborative funds and spaces for donor engagement, but there has been no systematic analysis of these different approaches. We need to find out more about what mechanisms exist, what models work best in which context, what are the possible advantages and disadvantages of different modes of engagement, and how to work with civil society effectively without undermining state capability.

**We also need to learn how to work in partnership with 'non traditional' civil society organisations.** This means not just supporting NGOs, mainly based in capital cities, that historically have been the main partners for donors, but also grassroots organisations, faith based organisations and others that may be more closely tied to or representative of the poor, but which have hitherto been considerably overlooked. Some challenges to working with non traditional organisations are that they may not have legal personalities, be un-used to working with donor systems and structures, be difficult

to reach or have low capacity for such dialogue. Nevertheless, they may play a critical role in actually reaching the poor and may therefore be valuable partners for DFID.

**This is an important opportunity to assess how donor engagement with civil society can be scaled-up, diversified, harmonised and made more effective in reaching the poor.**

**At the central level, DFID's Effective States team (EST) has recently taken the policy lead on working with civil society to strengthen governance and providing support to our country offices in their work with civil society.** This consultancy will contribute to this work programme. Amongst other work, EST is developing a briefing note on Civil Society and Good Governance, complementing a How To Note on civil society being prepared by DFID's Information and Civil Society Department. The objective of the briefing note is to advance understanding of civil society's role in helping to improve governance and build more effective states. The How To Note (HTN) will provide operational support to country offices including mapping, assessing and supporting civil society in partner countries.

**This consultancy will also complement two on-going joint donor initiatives focusing on donor support to civil society.** The first of these a study looking at the effectiveness of different types of donor support to civil society, being led by the Nordic+ group of donors (DFID is currently deciding whether to engage as a partner in this study). Secondly, a group of DAC donors (including DFID) are also commissioning a Joint Evaluation of Citizens' Voice and Accountability, covering approximately 10 countries, which intends to develop an evaluation framework for assessing the effectiveness of these interventions. The Overseas Development Institute (ODI), which is contracted to carry out the attached TOR, is also responsible for the V & A evaluation.

## **Annex 4.2: Purpose**

The purpose of this consultancy is to carry out a 'light touch' review of:

- a) Multi-donor programmes working with civil society (CS), with a focus on strengthening governance, especially accountability
- b) Donor engagement with 'non traditional' civil society organisations

The review will identify particular challenges, advantages/ disadvantages associated with different approaches.

## **Annex 4.3: Issues to cover**

- a) Both joint funding as well as other types of donor coordination mechanisms for support to civic engagement.
- b) Where relevant, how particular multi-donor funds are positioned within the broader blend of CS support mechanisms in any one country (bilateral sector programmes, challenge funds, local trust funds etc.).
- c) Existing multi-donor programmes as well as on-going transitions to harmonised ways of working.
- d) Examples of successful project and programmes that have involved non-traditional civil society organisations

Subject to an initial literature review, the review will seek to answer the following questions:

### Part I

- a) What kind of multi donor programmes and approaches to working with civil society to strengthen accountability exist?

- b) What are the key design features of multi-donor programmes and approaches, including the intensity and type of management by DFID and other donors; the ratio of disbursement to capacity building; and the operation of complementary instruments (including links to private foundations, small-grants facilities and government programmes)?
- c) How were programmes designed? With and by whom? What informed decisions to work with specific intermediaries and/or citizen groups in given country contexts? How have donors understood and sought to facilitate political engagement? How have donors assessed and managed risk in supporting political engagement?
- d) What evidence is there concerning the intended/ unintended impact of these approaches e.g. in terms of: (i) service delivery, political behaviour, functioning of constitutional bodies? (ii) the range of citizen groups able to access funding and facilitation (in particular grassroots organisations, informal networks)? (iii) the ability of citizens to engage in evidence-based advocacy?
- e) How is impact measured, what are the main challenges to measuring impact in this area, and how have these been addressed?
- f) What are the lessons learnt, particularly in relation to:
  - (i) Entry points for civic engagement around Poverty Reduction Budget Support (PRBS) (e.g. budget monitoring and mobilisation of funds at local government level).
  - (ii) The extent to which civic engagement can be scaled up.
  - (iii) The challenges of harmonising and aligning around a civil society agenda, and the extent to which this can be reconciled with priorities under PRBS.
  - (iv) To what extent multi-donor approaches open up or close down opportunities for supporting political engagement by citizens. This includes working beyond NGOs as well as with coalitions of actors (linking knowledge, advocacy skills, membership, and solidarity).
  - (v) The design of funding arrangements (linked or completely de-linked from government, self-managed, managed by CSO intermediaries or by donors directly) in different contexts, especially where civil society is fragile or under threat.
  - (vi) Opportunities and risks of working through different types of intermediaries – multi-laterals, INGOs, private foundations, local trust funds (in terms of ownership, flexibility, ability to engage with networks and alliances).
  - (vii) The legitimacy of funding mechanisms, including the degree of civil society and/or government control over programming, grant-approval processes, M&E.
- g) What mechanisms are in place for lesson-sharing between donors and between civil-society partners?
- h) Is there a need for a 'new instrument' for working with civil society through multi-donor approach? And what might this look like? What principles might inform its design in given contexts?

## Part II

- i) Are existing programmes and approaches able to reach 'non-traditional' civil society organisations (i.e. not just NGOs – could be grass roots organisations, trade unions, faith based orgs, political parties, etc)?
- j) What are the main design features of projects and programmes that have facilitated successful engagement with non traditional CSOs?
- k) What are the main constraints to reaching non traditional CSOs?
- l) What are the main lessons learnt concerning support for non traditional CSOs – e.g. is it more effectively provided through any particular mechanism, such as umbrella orgs, etc?)
- m) What are the risks associated with support to particular non-traditional CSOs? How were these assessed and managed?
- n) What – if any - has been the impact of engagement with non-traditional groups on accountability relationships?

A second phase study at a future date might involve in-depth country case studies or thematic reviews of working with civil society through multi donor approaches. The scoping study will help to identify a set of 'second generation' questions for this subsequent phase, e.g. focusing on fragile state and post-conflict scenarios.

#### **Annex 4.4: Method**

The consultant will undertake the following tasks and activities:

- a) Scan relevant DFID and other key donor materials and documents (those already in consultant's possession as well as those available on DFID systems such as Quest, PRISM, Insight, GSDRC<sup>14</sup> etc), in order to ascertain information related to I) multi-donor programmes, projects and approaches to supporting civil society for accountability II) engaging with 'non traditional' civil society partners.
- b) Produce an inception report, setting out key issues, a set of 'first generation' questions and possible programmes and approaches to explore in more detail. This will be discussed and agreed with EST, DFID Kenya and others.
- c) Based on (b) carry out specific and targeted outreach to social development advisers and/ or governance advisers in selected DFID Country Offices and other donor programmes in approximately 10 countries<sup>15</sup>, in order to access key documents and to interview relevant experts. Examples will be selected along a fragile-effective states spectrum to draw out contextual factors. This includes countries where PRBS is a major proportion of the country programme.
- d) In a final report, summarise findings under the principle sub-titles listed under 'Issues to cover' above, and highlight possible ways forward for a Phase 2 study.

#### **Annex 4.5: Deliverables**

Outputs of the consultancy include:

- a) Inception report setting out results of document review, 10 pages by 20<sup>th</sup> February 2007, to discuss with EST in week of 26<sup>th</sup> February 2007.
- b) Scoping report, perhaps 15 – 20 pages in length, summarising main evidence of i) multi-donor approaches to working with civil society organisations (CSOs) for strengthening accountability and ii) working with non-traditional CSOs; by 31<sup>st</sup> March 2007.

#### **Annex 4.6: Inputs**

It is anticipated that the consultancy will require 30 working days (during January – March 2007), breaking down as 15 days document review and inception report, 10 days telephone interviewing, 5 days preparation of final report and presentation back to EST.

#### **Annex 4.7: Reporting**

The consultant(s) will report to Emma Grant, Social Development Adviser in the Effective States Team.

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<sup>14</sup> Please contact GSDRC for a copy of their Jan 2007 report for Jo Abbot in Democratic Republic of Congo on multi-donor support.

<sup>15</sup> Likely to include Kenya, Ethiopia, Zambia, Mozambique; other possibilities are Bangladesh, Nicaragua, Ghana, Indonesia, Tanzania, Uganda – all pending consultation with COs.